

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Jointly Administered Under
Bankruptcy Case No. 17-42726 (KHS)

Chapter 11

WYNIT DISTRIBUTION, LLC,
WD Navarre Distribution, LLC
WD Encore Software, LLC
WD Navarre Holdings, LLC
WD Navarre Digital Services, LLC
WYNIT Holdings, Inc.
WD Navarre Canada, ULC,

Bky. Case No. 17-42726
Bky. Case No. 17-42728
Bky. Case No. 17-42729
Bky. Case No. 17-32864
Bky. Case No. 17-32865
Bky. Case No. 17-32866
Bky. Case No. 17-32867

Debtors.

NOTICE OF RECLAMATION DEMAND OF VIDBOX, INC.

PLEASE TAKE NOTICE that on September 28, 2017, VIDBOX, Inc., on behalf of itself and its affiliates, subsidiaries, and divisions (“Vidbox”), delivered a letter to the Debtors and their counsel, asserting reclamation demands pursuant to section 546(c) of the Bankruptcy Code (the “Demand Letter”).

PLEASE TAKE FURTHER NOTICE that a copy of the Demand Letter is attached hereto and incorporated herein by reference.

PLEASE TAKE FURTHER NOTICE that Vidbox reserves all rights under section 503(b)(9) of the Bankruptcy Code, including with respect to any of the goods identified in the Demand Letter that were delivered within 20 days of the petition date. Vidbox further reserves the right to recover from, or exercise any other remedy against, any Debtor that has possession, custody, or control over the goods, or is responsible for payment with respect to the same.

Vidbox hereby makes written demand to the Debtors for reclamation of the goods that are the subject of the letter and associated documents attached hereto as Exhibit A pursuant to Minn. Stat. § 336.2-702, 11 U.S.C. § 546(c), and other applicable law.

Respectfully submitted,

BASSFORD REMELE
A Professional Association

Dated: September 28, 2017

By: /e/ Jeffrey D. Klobucar
Jeffrey D. Klobucar (#0389368)
100 South Fifth Street, Suite 1500
Minneapolis, MN 55402
jklobucar@bassford.com
Telephone: (612) 333-3000
Facsimile: (612) 333-8829

Attorneys for VIDBOX, Inc.

EXHIBIT A



BASSFORD REMELE

JEFFREY D. KLOBUCAR
ATTORNEY
Licensed in MN and WI
T 612.376.1639
F 612.746.1239
JKLOBUCAR@BASSFORD.COM

September 28, 2017

VIA EMAIL AND U.S. MAIL

WYNIT Distribution, LLC
c/o Robert Kugler, Esq.
Stinson Leonard Street, LLP
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402
robert.kugler@stinson.com

WYNIT Distribution, LLC
700 West 76th Street, Suite 116
Eden Prairie, MN 55344

Re: *In re: WYNIT Distribution, LLC*
Bky. Case No.: 17-42726
Notice of Reclamation

To whom it may concern:

This firm represents VIDBOX, Inc. (“Vidbox”), a creditor of WYNIT Distribution, LLC and affiliated entities. (the “Debtor”). Vidbox has now learned the Debtor filed a voluntary petition for bankruptcy under Title 11, Chapter 11, of the United States Code (the “Bankruptcy Code”) on September 8, 2017. Vidbox holds certain claims against the Debtor for failure to make payments for goods shipped to the Debtor.

Section 546(c) of the Bankruptcy Code, in conjunction with the applicable state codification of U.C.C. § 2-702(2), permits Vidbox to reclaim the goods it sold to the Debtor and delivered within forty-five days of September 8, 2017. Certain goods have been shipped to the Debtor within that time period as set forth in the enclosed invoices.¹ Vidbox hereby makes written demand for return and reclamation of all goods delivered to the Debtor within the forty-five days preceding the commencement of the Debtor’s bankruptcy case.

You are further notified that all goods subject to Vidbox’s right of reclamation should be protected and segregated by the Debtor and are not to be used for any purpose whatsoever except those purposes specifically authorized following notice and a hearing by the Bankruptcy Court.

¹ The invoices attached to Exhibit 1 have been redacted to omit proprietary pricing information. Unredacted copies of the invoices can be made available to the Debtor upon request.

September 28, 2017
Page 2

Further, this demand should not be construed to limit Vidbox's right to recover from or exercise any other remedy against any Debtor that has possession, custody, or control over the goods that are the subject of this demand or is responsible for payment with respect to the same.

Vidbox expressly reserves its rights under Section 503(b)(9) of the Bankruptcy Code to assert an administrative expense claim for the value of any goods delivered to the Debtors within 20 days prior to the petition date. Additionally, Vidbox asserts that the values demonstrated in the invoices attached hereto are not indicative of the actual value of any goods shipped on consignment, as the parties had agreed to use a \$.01 per item valuation for tracking purposes only. *See* Consignment Rider, section 5(a). Vidbox reserves all its rights to assert claims for the actual value of such goods.

Please contact me upon receipt of this letter in order to make arrangements for Vidbox to reclaim its goods.

Respectfully,

Jeffrey D. Klobucar
for

BASSFORD REMELE, A Professional Association

JDK:plc
Enclosures
cc:



USD - Normal

Vendor:

VIDBOX INC
9111 JOLLYVILLE RD STE 285
AUSTIN TX 78759

Your vendor number with us
4659

Purchase order

PO number/date

3229899 / 06/30/2017

Contact person/Telephone

Catherine Kaboski/864-605-9920

Last Date Accepted : 07/07/2017

Please deliver to:

WYNIT DISTRIBUTION
4655 E Shelby Dr.
Memphis TN 38118

Bill to:

WYNIT DISTRIBUTION, LLC
C/O WD Navarre Distribution LLC,
A WYNIT Company
2 W WASHINGTON STREET, SUITE 500
GREENVILLE, SC 29601

Terms of delivery: DDP Delivery Duties Paid

Terms of payment: Net 60 Days - AP Inv Holdback

Currency USD

ckaboski@wynit.com

Line	Material	Description	Order qty	Unit	Price/unit	Net value
10	8108325	HONESTECH VHS TO DVD 7.0 DELUXE VDD7M	882960200795		WIN XP,VISTA,WIN 7,W	1709.10
20	8087734	AUDIO RECORDER 3.0 PLUS W CASSET ARP3M	882960966738		WIN XP,VISTA,WIN 7	517.90
30	8121647	VHSTODVD 8.0 DELUXE VDD8M	882960266883		WIN VISTA,WIN 7,WIN	569.70

Vendor:
VIDBOX INC
9111 JOLLYVILLE RD STE 285
AUSTIN TX 78759

PO number/date
3229899 / 06/30/2017

Page
2

Line	Material	Description	Order qty	Unit	Price/unit	Net value
40	8022644	AUDIO RECORDER 2.0 DELUXE ARD2M				517.90
			882960200405		WIN XP,VISTA	
50	8116840	VIDBOX FOR MAC VFM1M				569.70
			882960266838		MAC X,10.5.8 OR LATE	
			Total net value excl. tax		USD	3,884.30

Authorized Signature



VIDBOX INC

9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Invoice

Date	Invoice #
7/13/2017	170713NWY01

Bill To
WD Navarre Distribution, LLC 9700 W 76th Street Suite 116 Eden Prairie, MN 55344

Ship To

USD - Normal

P.O. No.	Due Date
3229899	8/12/2017

Item	Description	Qty	U/M	Rate	Amount
VDD7M-A5	VHStoDVD 7.0 Deluxe				1,709.10
ARP3M	Audio Recorder 3.0 Plus				517.90
VDD8M	VHStoDVD 8.0 Deluxe				569.70
ARD2M	Audio Recorder 2.0 Deluxe				517.90
VFM1M	VIDBOX for Mac				569.70

Remarks:
Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.company
Tel: 512-551-1972

Total	USD 0.00
Payments/Credits	USD 3,884.30
Balance Due	USD 3,884.30



Vendor:

VIDBOX INC
9111 JOLLYVILLE RD STE 285
AUSTIN TX 78759

USD - Normal

Your vendor number with us
4659

Purchase order

PO number/date

3230616 / 07/24/2017

Contact person/Telephone

Catherine Kaboski/864-605-9920

Last Date Accepted : 07/31/2017

Please deliver to:

WYNIT DISTRIBUTION
4655 E Shelby Dr.
Memphis TN 38118

Bill to:

WYNIT DISTRIBUTION, LLC
C/O WD Navarre Distribution LLC,
A WYNIT Company
2 W WASHINGTON STREET, SUITE 500
GREENVILLE, SC 29601

Terms of delivery: DDP Delivery Duties Paid

Terms of payment: Net 60 Days - AP Inv Holdback

Currency USD

ckaboski@wynit.com

Line	Material	Description	Order qty	Unit	Price/unit	Net value
10	8121646	VHSTODVD 8.0 DELUXE VDD8D				4822.00
			882960668885		WIN VISTA,WIN 7,WIN	
20	8121647	VHSTODVD 8.0 DELUXE VDD8M				569.70
			882960266883		WIN VISTA,WIN 7,WIN	
30	8087734	AUDIO RECORDER 3.0 PLUS W CASSET ARP3M				517.90
			882960966738		WIN XP,VISTA,WIN 7	

Items are not fulfilled

Total net value excl. tax USD 5,909.60

Authorized Signature

9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Date	Invoice #
8/11/2017	170811NWY01

Bill To
WD Navarre Distribution, LLC 9700 W 76th Street Suite 116 Eden Prairie, MN 55344

Ship To

P.O. No.	Due Date
3230616	9/10/2017

Item	Description	Qty	U/M	Rate	Amount
VDD8D	VHStoDVD 8.0 Deluxe				4.822.00
VDD8M	VHStoDVD 8.0 Deluxe				569.70

Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.com
Tel: 512-551-1972

Total	USD 0.00
Payments/Credits	USD 5,391.70
Balance Due	USD 5,391.70



VIDBOX INC
9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Invoice

Date	Invoice #
7/31/2017	1707CWNOD01

Bill To
WD Navarre Distribution, LLC 9700 W 76th Street Suite 116 Eden Prairie, MN 55344

Ship To

USD - Consignment.
Consignment sales of July 2017-Office Depot - NDS

P.O. No.	Due Date
Jul2017 OD-NDS	8/30/2017

Item	Description	Qty	U/M	Rate	Amount
ARP2S	Audio Recorder 2.0 Plus Wynit consignment sales of July 2017-Office Depot-NDS-USD				2,462.29

Remarks:
Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.company
Tel: 512-551-1972

Total	USD 0.00
Payments/Credits	USD 2,462.29
Balance Due	USD 2,462.29

Total	USD 0.00
Payments/Credits	USD 2,867.05
Balance Due	USD 2,867.05



Vendor:

VIDBOX INC CONSIGNMENT
9111 JOLLYVILLE RD STE 285
AUSTIN TX 78759

USD - Consignment
Inventory transferred to Wynit.

Your vendor number with us
4668

Purchase order

PO number/date

3230829 / 07/31/2017

Contact person/Telephone

Catherine Kaboski/864-605-9920

Last Date Accepted : 08/07/2017

Please deliver to:

WYNIT DISTRIBUTION
4550 Quality Drive
Memphis TN 38118

Bill to:

WYNIT DISTRIBUTION, LLC
C/O WD Navarre Distribution LLC,
A WYNIT Company
2 W WASHINGTON STREET, SUITE 500
GREENVILLE, SC 29601

Terms of delivery: DDP Delivery Duties Paid

Terms of payment: Net 30 Days

Currency USD

ckaboski@wynit.com, Office Depot POG

Line	Material	Description	Order qty	Unit	Price/unit	Net value
10	8121648	VIDBOX VIDEO CONVERSION SUITE VCS2S				35.00
			882960367894		WIN VISTA,WIN 7,WIN	

Total net value excl. tax USD 35.00

Authorized Signature



Vendor:

VIDBOX INC CONSIGNMENT
9111 JOLLYVILLE RD STE 285
AUSTIN TX 78759
USA

CAD - Consignment

Your vendor number with us
4668

Purchase order

PO number/date

3231979 / 08/22/2017

Contact person/Telephone

Catherine Kaboski/864-605-9920

Our VAT registration no.

8276 86460 RT0001

Last Date Accepted : 08/29/2017

Please deliver to:

WD NAVARRE CANADA, ULC
450 EXPORT BLVD UNIT A
MISSISSAUGA ON L5S 2A4
CANADA

Bill to:

WD NAVARRE CANADA, ULC

2 W WASHINGTON STREET, SUITE 500
GREENVILLE, SC 29601

Terms of payment: Net 30 Days

Currency CAD

Line	Material	Description	Order qty	Unit	Price/unit	Net value
10	8087738	AUDIO RECORDER 3.0 PLUS WCASS PL ARP3SF				0.75
			882960970735		WIN XP,VISTA,WIN 7	

Total net value excl. tax CAD 0.75

FROZEN
NOT SHIPPED

Authorized Signature



Vendor:

VIDBOX INC
9111 JOLLYVILLE RD STE 285
AUSTIN TX 78759
USA

CAD - Normal

Your vendor number with us
4659

Purchase order

PO number/date

3230617 / 07/24/2017

Contact person/Telephone

Catherine Kaboski/864-605-9920

Our VAT registration no.

8276 86460 RT0001

Last Date Accepted : 07/31/2017

Please deliver to:

WD NAVARRE CANADA, ULC
450 EXPORT BLVD UNIT A
MISSISSAUGA ON L5S 2A4
CANADA

Bill to:

WD NAVARRE CANADA, ULC

2 W WASHINGTON STREET, SUITE 500
GREENVILLE, SC 29601

Terms of delivery: DDP Delivery Duties Paid

Terms of payment: Net 60 Days - AP Inv Holdback

Currency CAD

ckaboski@wynit.com

Line	Material	Description	Order qty	Unit	Price/unit	Net value
10	8114788	VIDBOX FOR MAC VFM1MF				1709.10
			882960269839		MAC OS X,10.6 OR LAT	
Total net value excl. tax					CAD	1,709.10

Authorized Signature





VIDBOX INC

9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Invoice

Date	Invoice #
7/31/2017	1707CWNSC01

Bill To

Ship To

CAD - Consignment
Consignment sales of July 2017-Staple Canada
Invoiced per Wynit Monthly Report

P.O. No.	Due Date
Jul2017 SC	8/30/2017

Item	Description	Qty	U/M	Rate	Amount
VCP1SF	VIDBOX Video Conversion for PC - Navarre Canada				3,589.11
VDD8SF	VHStoDVD 8.0 Deluxe FR/EN				911.52
VFM1SF	VIDBOX for Mac FR/EN				1,424.25
ARP3SF	Audio Recorder 3.0 Plus FR/EN				2,175.18
Canada Tax	GST for Canadian Consignment Sales 13%				1,053.01
	Wynit consignment sales of July 2017-Staple Canada-CAD				

Remarks:
Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.company
Tel: 512-551-1972

Total	CAD 0.00
Payments/Credits	CAD 9,153.07
Balance Due	CAD 9,153.07



VIDBOX INC

9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Invoice

Date	Invoice #
7/31/2017	1707CWNBBC1

Bill To

Ship To

CAD - Consignment
Consignment sales of July 2017-Best Buy Canada
Invoiced per Wynit Monthly Report

P.O. No.	Due Date
Jul2017-BBC	8/30/2017

Item	Description	Qty	U/M	Rate	Amount
VCS2SF	VIDBOX Video Conversion Suite				1,679.76
VDD8SF	VHStoDVD 8.0 Deluxe FR/EN				6,209.73
VFM1SF	VIDBOX for Mac FR/EN				3,019.41
ARP3SF	Audio Recorder 3.0 Plus FR/EN				1,812.65
Canada Tax	GST for Canadian Consignment Sales 13%				1,653.80
	Wynit consignment sales of July 2017-BestBuy Canada-CAD				

Remarks:
Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.company
Tel: 512-551-1972

Total	CAD 0.00
Payments/Credits	CAD 14,375.35
Balance Due	CAD 14,375.35



VIDBOX INC

9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Invoice

Date	Invoice #
8/31/2017	1708CWNSC01

Bill To

Ship To

CAD - Consignment
Consignment sales of Aug 2017-Staple Canada
Invoiced per Wynit Monthly Report

P.O. No.	Due Date
Aug2017-4668 CA	9/30/2017

Item	Description	Qty	U/M	Rate	Amount
VCP1SF	VIDBOX Video Conversion for PC - Navarre Canada				797.58
VDD8SF	VHStoDVD 8.0 Deluxe FR/EN				1,652.13
VFM1SF	VIDBOX for Mac FR/EN				284.85
ARP3SF	Audio Recorder 3.0 Plus FR/EN				310.74
Canada Tax	GST for Canadian Consignment Sales 13%				395.89
	Aug 2017 Wynit Consignment Sale (4668)--Staple Canada				

Remarks:
Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.company
Tel: 512-551-1972

Total	CAD 0.00
Payments/Credits	CAD 3,441.19
Balance Due	CAD 3,441.19



VIDBOX INC

9111 JOLLYVILLE RD SUITE 285
AUSTIN, TX 78759

Invoice

Date	Invoice #
8/31/2017	1708CWNBBC1

Bill To

Ship To

CAD - Consignment
Consignment sales of Aug 2017-Best Buy Canada
Invoiced per Wynit Monthly Report

P.O. No.	Due Date
Aug2017 4668-BBC	9/30/2017

Item	Description	Qty	U/M	Rate	Amount
VCS2SF	VIDBOX Video Conversion Suite				1,679.76
VDD8SF	VHStoDVD 8.0 Deluxe FR/EN				6,095.79
VFM1SF	VIDBOX for Mac FR/EN				2,164.86
ARP3SF	Audio Recorder 3.0 Plus FR/EN				1,398.33
Canada Tax	GST for Canadian Consignment Sales 13%				1,474.04
	Aug 2017 Wynit Consignment Sale-BestBuy Canada				

Remarks:
Please contact VIDBOX Accounting for any inquiry.
Email: sharon@vidbox.company
Tel: 512-551-1972

Total	CAD 0.00
Payments/Credits	CAD 12,812.78
Balance Due	CAD 12,812.78

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Jointly Administered Under
Bankruptcy Case No. 17-42726 (KHS)

Chapter 11

WYNIT DISTRIBUTION, LLC,
WD Navarre Distribution, LLC
WD Encore Software, LLC
WD Navarre Holdings, LLC
WD Navarre Digital Services, LLC
WYNIT Holdings, Inc.
WD Navarre Canada, ULC,

Bky. Case No. 17-42726
Bky. Case No. 17-42728
Bky. Case No. 17-42729
Bky. Case No. 17-32864
Bky. Case No. 17-32865
Bky. Case No. 17-32866
Bky. Case No. 17-32867

Debtors.

UNSWORN DECLARATION FOR PROOF OF SERVICE

I, Jeffrey D. Klobucar, an attorney licensed to practice law in this Court, with an office address of 100 South Fifth Street, Suite 1500, Minneapolis, MN 55402, declare that on September 28, 2017, I caused the following documents:

- NOTICE OF RECLAMATION DEMAND OF VIDBOX, INC.

to be served and filed electronically with the Clerk of the Bankruptcy Court through ECF, and that ECF will send an e-notice of the electronic filing to all parties registered to receive electronic service.

And I declare, under penalty of perjury, that the foregoing is true and correct.

Dated: September 28, 2017

By: /e/ Jeffrey D. Klobucar
Jeffrey D. Klobucar (MN #0389368)